A0400-1

The Aluminum Situation

Economics and Statistics — *August 1992*

Summary Industry Shipments Increase 5.3 Percent in First Half

Preliminary figures for six months of 1992 indicate that industry net shipments, including imports, totaled 8,193 million pounds, an increase of 5.3 percent from the 1991 total of 7,784 million pounds.Domestic shipments, totaling 6,880 million pounds, increased 8.7 percent from the 1991 total of 6,329 million pounds.

U.S. exports of aluminum ingot and mill products continue to decline in 1992. Totaling 1,314 million pounds during the first six months, exports decreased 9.7 percent from 1991 total of 1,455 million pounds. During the same period, U.S. imports totaling 1,724 million pounds, increased 14.8 percent from the 1991 total of 1,502 million pounds.

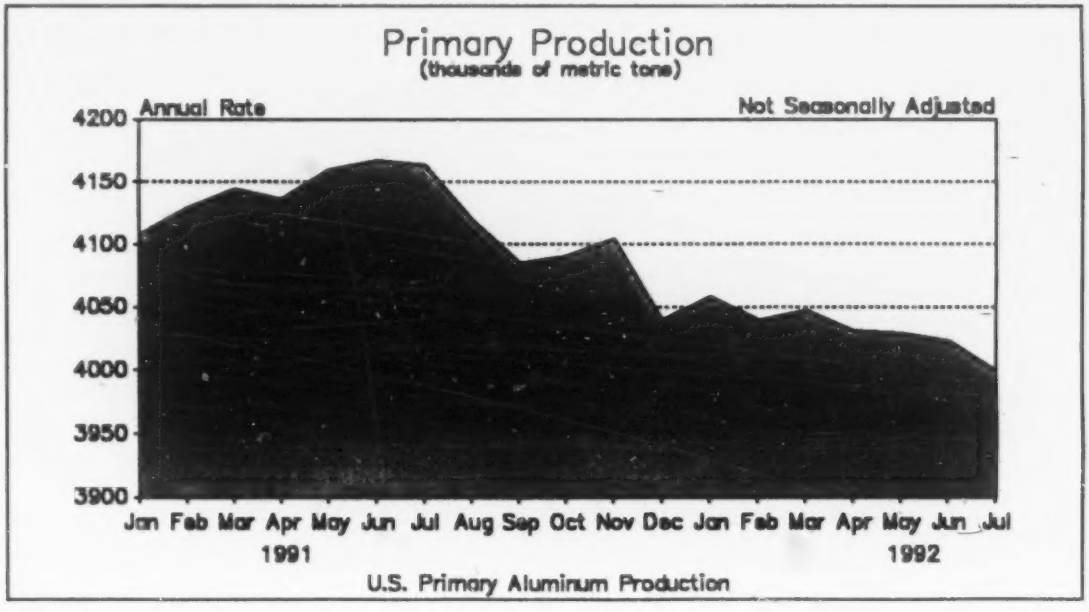
THRU JUNE 1992

	1992 6 Mos.	1991 6 Mos.	% Change
Mill Products	6,761	6,180	9.4
Ingot	1,433	1,604	-10.7
Total	**8,193**	**7,784**	**5.3**
Less Exports	1,314	1,455	-9.7
Domestic Total	**6,880**	**6,329**	**8.7**

Figures in Millions of Pounds
Source: Bureau of the Census
U.S. Department of Commerce

Production July Averages 10,928 Metric Tons Per Day

U.S. primary aluminum production averaged 10,928 metric tons daily during July 1992. This compares with an average of 11,410 metric tons a day in July 1991 and 10,994 metric tons a day in June 1992. The annual rate of production in July 1992 was 3,999,530 metric tons compared with 4,164,768 metric tons in July 1991 and 4,023,743 metric tons in June 1992. Production for the month of July 1992 totaled 338,758 metric tons.



This report contains information reported to the Association by the domestic producers, which is aggregated by the Association. While the Asscciation believes that its statistical procedures and methods are reliable, it does not warrant the accuracy or completeness of the data. All data contained herein are subject to revision.

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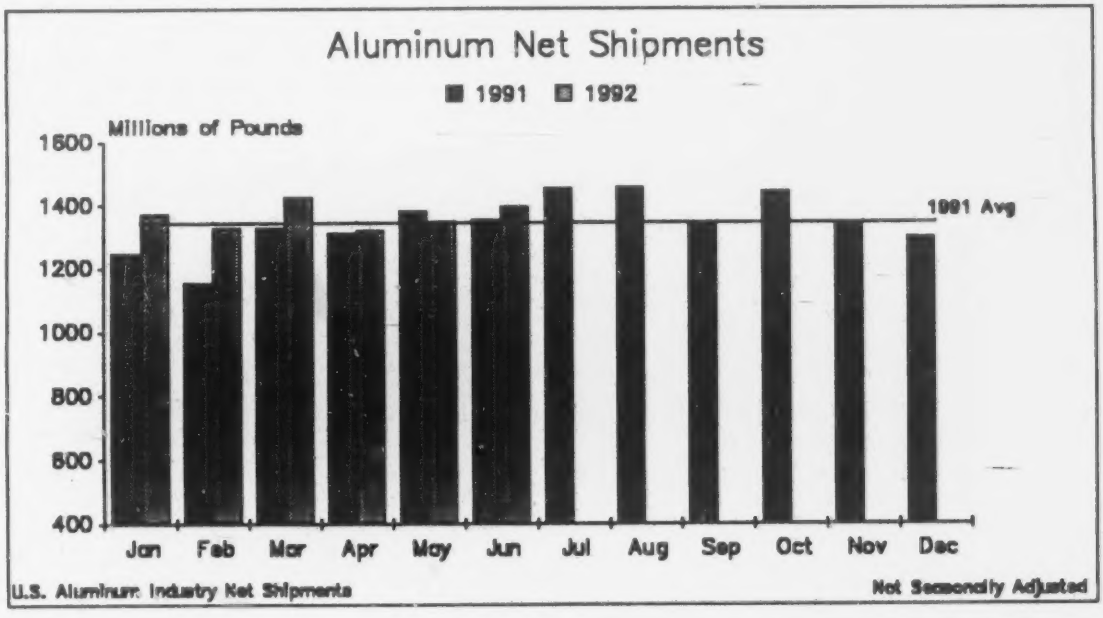
Shipments Industry Totals Increase 5.3 Percent

During the first half of 1992, the U.S. Bureau of the Census reported industry net shipments totaling 8,193 million pounds, an increase of 5.3 percent from the previous year's total of 7,784 million pounds. Shipments of aluminum mill products totaling 6,761 million pounds increased 9.4 percent over the 1991 total of 6,180 million pounds.

Excluding imports, Census reported shipments of sheet, plate and foil at 4,517 million pounds, an increase of 9.6 percent from the previous year's total of 4,121 million pounds. Shipments of aluminum rod, bar and wire of reported at 177 million pounds, increasing 32.3 percent from the 1991 total of 134 million pounds and shipments of extruded shapes and tube of 1,203 million pounds, up 9.8 percent.



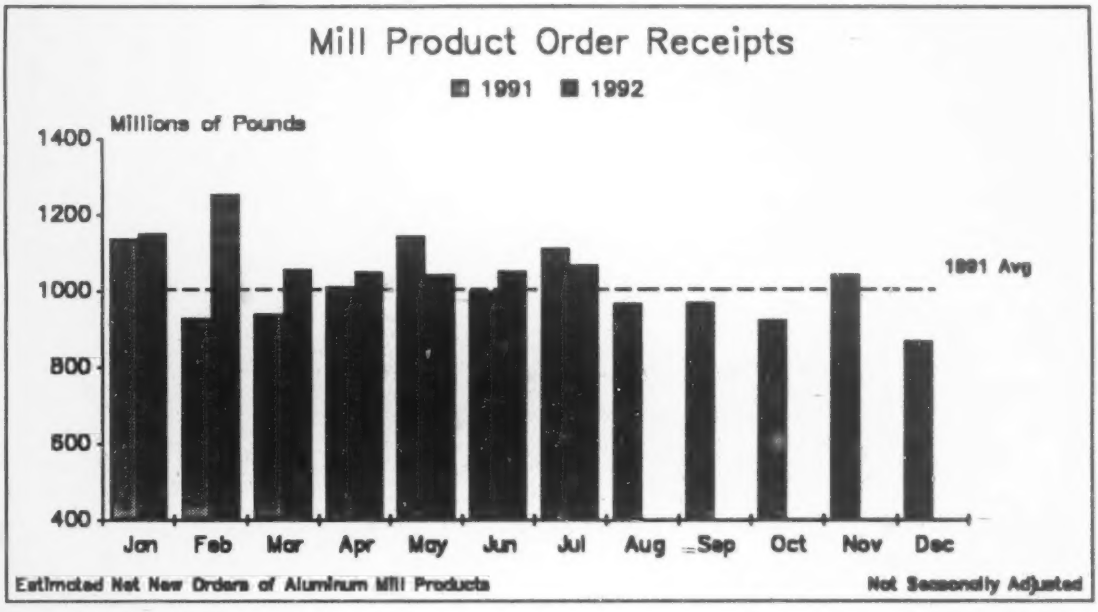
NET SHIPMENTS (Millions of Pounds)	1992* June	1991 June	1992* 6 Mos.	1991 6 Mos.	% Change 1992 vs 1991
Sheet	665.4	621.6	3,902.5	3,570.3	9.3
Plate	22.3	20.6	130.2	136.7	-4.7
Foil	83.7	74.2	484.5	413.8	17.1
Rod,Bar & Wire	25.7	19.3	177.2	133.9	32.3
Elec. Conductor	46.4	47.5	294.7	292.5	0.8
Extruded Shapes,Tube	204.5	195.2	1,202.8	1,095.9	9.8
Powder & Paste	6.8	7.6	43.2	47.7	-9.3
Forgings & Impacts	9.5	12.6	67.6	73.6	-8.1
Imports of Mill Products (Total) (a)	82.7	68.0	457.6	415.5	10.1
Total Mill Products	1,146.8	1,066.5	6,760.5	6,179.9	9.4
Ingot	249.0	288.5	1,432.5	1,604.1	-10.7
TOTAL INDUSTRY SHIPMENTS	**1,395.9**	**1,355.0**	**8,193.1**	**7,784.0**	**5.3**
Exports	219.7	279.4	1,313.5	1,455.1	-9.7
TOTAL DOMESTIC SHIPMENTS	**1,176.1**	**1,075.6**	**6,879.5**	**6,328.9**	**8.7**

Source: Bureau of the Census, U.S. Department of Commerce - CIR M33-D
Note: Cumulative data includes revisions for previous periods
(a) Not included in product data above.

Orders Up 5.5 Percent Over Last Year

Industry new orders totaling an estimated 7,676 million pounds during seven months of 1992, increased 5.5 percent from the 1991 total of 7,274 million pounds. Leading the industry were new orders of domestic can stock, totaling 2,628 million pounds, up 1.6 percent, and other sheet & plate, totaling 2,388 million pounds, up 7.1 percent above previous year levels. Orders for extruded shapes and tube were estimated at 1,307 million pounds, an increase of 6.6 percent from 1991.

During the month of July, estimated net new order receipts of aluminum mill products totaling 1,067 million pounds, increased 1.2 percent above the June total of 1,054 million pounds.



ORDER RECEIPTS (Millions of Pounds)	1992* July	1991 July	1992* 7 Mos.	1991 7 Mos.	% Change 1992 vs 1991
Sheet & Plate, Other	327.0	349.5	2,388.1	2,229.6	7.1
Can Stock (a)	364.2	399.1	2,627.8	2,587.5	1.6
Foil	83.7	77.0	578.9	511.7	13.1
Bar, Rod & Wire	38.4	36.5	268.3	262.8	2.1
Electrical Conductor	49.6	51.0	356.3	315.0	13.1
Extruded Shapes & Tube	188.0	179.8	1,306.6	1,226.1	6.6
Powder & Paste	8.1	8.2	79.0	68.6	15.2
Forgings & Impacts	7.7	11.4	70.8	72.3	-2.1
Total Mill Products	**1,066.7**	**1,112.5**	**7,675.8**	**7,273.6**	**5.5**

Source: The Aluminum Association estimates total industry orders (including orders for imports) based on weekly reports by members of new orders (less cancellations) received. The Association expands these data to total industry utilizing an expansion ratio that attempts to reflect the relationship of reporters to the total industry. Weekly data are available on a subscription basis. Note: Cumulative data includes revisions for previous periods.
(a) Domestic only. Orders for exports of Can Stock are included in Sheet and Plate, Other.

Inventories Producers Inventories Increase 59 Million Pounds

Reported producer inventories for the month of June 1992, totaling 4,047 million pounds increased 59 million pounds over the revised May total of 3,988 million pounds.

Month-End Aluminum Producer Inventories
(Millions of Pounds)

	Total	Ingot	Scrap	All Other
April	3,972r	1,400	510r	2,062
May	3,988r	1,429r	529	2,030r
June	4,047	1,419	567	2,061

Source: Bureau of the Census, U.S. Department of Commerce.

LME U.S. Warehouse Inventories Increase 2,350 Metric Tons

According to published reports, London Metal Exchange inventories of aluminum in U.S. warehouses increased 2,350 metric tons (1.6 percent) to a total of 148,750 metric tons during the month of July 1992.

	Total U.S.	Baltimore	Toledo	Long Beach	St. Louis	Chicago
May	156,375	87,075	35,000	1,900	30,150	2,250
June	146,400	77,700	34,500	1,900	30,050	2,250
July	148,750	75,600	37,150	1,900	31,850	2,250

Source: American Metal Market

Imports and Exports

(Millions of Pounds)	1992 June	1991 June	1992 6 Mos.	1991 6 Mos.	% Change 1992 vs 1991
Imports Mill Products	82.7	68.0	457.6	415.5	10.1
Ingot	194.4	167.5	1,266.8	1,086.3	16.6
Total	**277.1**	**235.6**	**1,724.4**	**1,501.8**	**14.8**
Scrap (+ dross)	55.8	48.0	322.6	230.8	39.8
Grand Total	332.9	283.5	2,047.1	1,732.5	18.2
Exports Mill Products	131.3	121.7	745.3	629.1	18.5
Ingot	88.5	157.7	568.2	826.1	-31.2
Total	**219.7**	**279.4**	**1,313.5**	**1,455.1**	**-9.7**
Scrap	51.9	84.1	325.3	652.8	-50.2
Grand Total	271.6	363.5	1,638.8	2,107.9	-22.3
Net Imports	**61.3**	**-79.9**	**408.3**	**-375.4**	**-208.8**

Source: Bureau of the Census, U.S. Department of Commerce.
(*) Data may not be comparable to previous years due to changes in trade classifications effective January 1, 1989